

VZCZCXYZ0001
OO RUEHWEB

DE RUEHSP #1126/01 2652114
ZNY CCCCC ZZH
O 222114Z SEP 06
FM AMEMBASSY PORT OF SPAIN
TO RUEHC/SECSTATE WASHDC IMMEDIATE 7395
INFO RUCNCOM/EC CARICOM COLLECTIVE
RUEHCV/AMEMBASSY CARACAS 3610
RUEHME/AMEMBASSY MEXICO 0415
RUEHQT/AMEMBASSY QUITO 0437
RUMIAAA/CDR USSOUTHCOM MIAMI FL
RHEBAAA/DEPARTMENT OF ENERGY WASHINGTON DC
RUCNDT/USMISSION USUN NEW YORK 0058

C O N F I D E N T I A L PORT OF SPAIN 001126

SIPDIS

SIPDIS

STATE FOR WHA/CAR, WHA/EPSC, EB/ESC/IEC/EPC
DOE FOR OFFICE OF POLICY AND INTERNATIONAL AFFAIRS

E.O. 12958: DECL: 09/21/2016

TAGS: [EPET](#) [UNSC](#) [PREL](#) [PGOV](#) [VE](#) [TD](#)

SUBJECT: PM MANNING FRUSTRATED OVER CARICOM RESPONSE TO
PETROCARIBE BUT SUPPORTS CARICOM "DECISION" TO SUPPORT
VENEZUELA AT UNSC

REF: PORT OF SPAIN 1040

Classified By: DCM Eugene Sweeney for reasons 1.4 (b) and (d)

11. (C) SUMMARY: In a September 8 meeting with DOE A/S Karen Harbert and WHA DAS Patrick Duddy, PM Manning voiced frustration with CARICOM colleagues over their stance on Petrocaribe but at the same time said he would go along with a "CARICOM decision" to support Venezuela's bid for a UNSC seat. Outlining a greater T&T role in CARICOM, Manning repeated his proposal for the U.S. to pay the cost of T&T patrolling the Eastern Caribbean for drug traffickers, and he expressed confidence that his Caribbean neighbors' suspicions of T&T's regional energy objectives had subsided since T&T launched its CARICOM petroleum fund. END SUMMARY.

12. (C) Assistant Secretary of Energy Karen Harbert and Deputy Assistant Secretary of State Patrick Duddy met with Prime Minister Manning on September 8 in Port of Spain. Also attending were Embassy DCM and Econ Chief (notetaker) and from DOE Gary Ward and Sam Browne. This message reports PM Manning's comments on Venezuela's Petrocaribe initiative, CARICOM views on the upcoming UN Security Council vote, and his thinking on how Trinidad and Tobago might play a larger role in CARICOM. His comments on U.S.-T&T relations are reported septel.

Frustration with CARICOM embrace of Petrocaribe

13. (C) Harbert and Duddy welcomed Manning's recent public statements on the risk to regional energy security posed by Venezuela's Petrocaribe initiative. In response, Manning voiced frustration with CARICOM colleagues' embrace of Petrocaribe, predicting that if they continue on their present course, they will effectively "shut the door" on T&T and its role as a guarantor of regional energy security. If T&T in turn is forced to find new markets for its oil, he continued, it may not be easy to shift supply back to the region if/when his CARICOM neighbors face an energy crisis. They would have only themselves to blame, he suggested, as they were focusing solely on short term benefits and ignoring the long term negative implications for energy security and economic development. Still, he allowed that some CARICOM members had declined to cede control of domestic storage to PDVSA, demonstrating they were sensitive to the risk.

¶4. (C) Manning said that T&T wanted to maintain good relations with all of its neighbors, particularly one so large and so close as Venezuela, but this had been made difficult because Venezuela did not like T&T's response to Petrocaribe. While hypothesizing that Venezuelan President Hugo Chavez might seek to visit T&T in the near future, Manning was not optimistic that a political agreement would be reached on joint development of gas deposits along their maritime border, even if technical discussions on gas unitization continue to make progress. As such, Manning was "pretty certain" that T&T would not be in a position to act on plans to further expand its production capacity for liquefied natural gas (LNG) in the shorter term, because those plans were contingent on future supplies of Venezuelan gas.

¶5. (C) Manning indicated that T&T would be happy to expand its current business refining a small volume of Venezuelan crude to sell to other Caribbean islands, but he doubted whether Venezuela's Caribbean strategy envisages such a role for T&T. Nevertheless, he would continue seeking to improve relations with Venezuela. Later in the conversation, Manning said pointedly that "T&T does not want to become collateral damage" in the U.S.-Venezuela relationship.

CARICOM won't support Guatemala for UNSC seat

¶6. (C) Asked by DAS Duddy about the upcoming UNSC vote, Manning said T&T would abide by the "CARICOM decision" to support Venezuela. Asked if CARICOM had really taken such a position, he responded yes, explaining that his CARICOM

colleagues had agreed that they could not "turn their backs" on Belize by supporting Guatemala. By contrast, Guyana had given a green light to support Caracas, maintaining that any friction in its relations with Venezuela should not stand the way of a CARICOM consensus. Challenged on Chavez's problematical role on the global stage, Manning dismissed Chavez's activities as mostly rhetoric.

----- --
Seeking a bigger T&T role in CARICOM and beyond

¶7. (C) Manning spoke of T&T's current rapid growth as conferring a responsibility toward the rest of CARICOM. Moreover, the Caribbean was T&T's largest market after the U.S., so anything that happens there has an impact on T&T. Drug trafficking is a key challenge for the region. T&T is buying more boats and helicopters to patrol its own waters, but traffickers can - and already are - moving operations to other islands such as Grenada that have nowhere near T&T's interdiction capability.

¶8. (C) Manning then repeated his previous offer to use T&T assets to patrol the eastern Caribbean if the U.S. would pay for the additional cost. Politically it would be much easier for T&T boats to enter other Caribbean nations' territorial waters, he commented, because no one thinks T&T has hegemonic objectives in the region. (See septel for further comments by Manning on Caribbean drug trade and U.S. engagement in regional drug interdiction.)

¶9. (C) A/S Harbert raised the CARICOM Energy Task Force. Manning ascribed the slow initial progress of the Task Force to suspicions among other members over T&T's prominent role in launching it. Such a reaction was predictable and not unreasonable, he added, but he was confident that the suspicions had now subsided, particularly after T&T had set up a CARICOM petroleum fund.

¶10. (C) Manning stressed that T&T was determined to avoid the path of other resource-rich developing countries that have failed to translate export income into tangible benefits for

ordinary people. He previewed a soon-to-be launched initiative with seven African oil producing countries, from Nigeria to Angola, aimed at sharing T&T's experience and offering technical assistance in areas such as managing oil wealth and commercializing flared natural gas.

¶11. (C) COMMENT: Manning's comments on Petrocaribe made clear that he does not trust Venezuela's motives and that he agrees with us on the dangers of Petrocaribe. Moreover, his public approach to Petrocaribe has paralleled our own, stating in a factual and low-key way the clear economic and security implications. Nevertheless, his concerns about Venezuela do not appear to outweigh his interest in associating T&T with the rest of CARICOM, as he seeks to build credibility with his CARICOM colleagues. He also believes he cannot afford to burn bridges with Venezuela.
END COMMENT.

¶12. (U) A/S Harbert did not clear this message.
AUSTIN